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Custom Rates

survey summary

a budget guide for custom rates

Alberta
AGRICULTURE
Farm Business Management Branch
Agdex No. 825-9

1992

FOREWORD

As custom and rental agreements are being negotiated, it is useful to know what others are paying or charging for similar services. Since 1977, Alberta Agriculture has annually surveyed custom and rental rates to provide information to farmers and custom operators making custom work and rental decisions.

This publication presents a summary of custom work and land rental rates during 1991. These rates are intended only as a guide for 1992. They are not to be interpreted as the rates you must charge or pay.

This publication is a co-operative endeavor by Alberta Agriculture's Statistics Branch and Farm Business Management Branch. The publication was prepared by Alex Ostapiuk, Farm Business Management Branch from data collected by Maureen Whitlock, Statistics Branch.

The department gratefully acknowledges the contribution of the farmers and custom operators who willingly co-operated by providing information about their custom and rental rates.

J. Wilson Loree, P.Ag., Head
Farm Business Management Branch
Box 2000
Olds, Alberta
TOM 1PO

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Copies of this publication may be obtained from:

Print Media Branch
Alberta Agriculture
7000 - 113 Street
Edmonton, Alberta
T6H 5T6

or Alberta Agriculture's district offices

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INTRODUCTION

Objective

The Custom Rates Survey Summary began in 1977 as a response to a need for this type of information by farmers, custom operators and agriculturists.

The specific objective of this publication is to organize and report 1991 custom rates for certain custom operations on the farm. No effort is made to evaluate fairness of reported rates. The goal is to report what is being charged, not what should be charged.

Sample Size

The reader should note that the sample size is often small and thus, reported rates should only be used as a general indication of rates that are being charged for the various custom operations in Alberta. Custom rates in this publication are not to be interpreted as recommended rates. Individual custom operations should still be evaluated on their own merit.

Users of Custom Rates Information

Custom rate information can be useful to many people involved in agriculture and other related activities. Farmers may find custom rates useful as a guide for machinery management, budgeting and financial planning for credit needs. Also, custom rates can be useful as a guide in negotiating settlements for work performed for neighbours or others. Lenders, educators, government institutions and others doing budgeting or planning analysis may also find custom rates useful as guides in their work. Custom operators can use these guides to compare their own rate with the market rate in a certain area.

Understanding the Tables

Custom rates for various operations in Alberta are presented on pages 4 to 24. The tables are itemized under type of *OPERATION* surveyed, *LOCATION* where rates apply, *MOST COMMON RATES* charged in 1991, *RANGE OF RATES* charged in 1991. Under the heading *LOCATION*, six regions are identified. These regions are outlined on the map on page 3. Where the *location* is identified as south, central and north, two regions are combined into one location. South consists of Region 1 and 2, Central consists of Region 3 and 4, and North consists of Region 5 and 6.

Custom rates in 1991 for the various operations are shown as *RANGE-1991* and *MOST COMMON-1991*. The rates quoted most often by custom operators are under the heading *MOST COMMON-1991*. Variations in rates from lowest to highest are under the heading *RANGE-1991*. The reason for these ranges is due to many factors some of which are listed below.

Factors that contribute to lower rates include:

a) neighbourly work exchange;
b) location of job in relation to home base of custom operator;
c) custom operator's desire to cover variable costs, but not necessarily all fixed costs;
d) use of older equipment which does not reflect current investment cost;
e) services such as labor, meals, fuel, supervision, transportation or other convenience services, being provided to the custom operator by the farmer; and
f) the size of job.

Factors that contribute to higher rates include:

a) full-time custom operators who are covering all costs;
b) charging what the market will bear;
c) touch jobs requiring extra power, repairs, fuel or time;
d) field conditions such as rocks, rough terrain, obstructions, or high yield crops; and
e) small size jobs.

How to use custom rates information

Rates quoted in this publication for the various custom operations are expressed in numerous ways (per hour, ton, tonne, bale, acres, etc.). Before comparing the various custom operations, always choose the appropriate basis on which to compare. For example, grain harvesting may require a per acre cost as compared to corral cleaning where a per hour rate is more appropriate. When custom rates are given in dollars per hour, it is advisable to convert to a physical unit cost (bushels, tonnes, acres) that is appropriate to that operation. A low cost per hour can be a very high cost per acre, tonne, etc.

Since custom rates quoted in this publication may not suit all custom operators and those hiring custom work, it is advisable to calculate one's own custom costs.

NOTE

* Indicates one report received.

WOOD
BUFFALO
NATIONAL
PARK
PEACE
RIVER
REGION
• FAIRVIEW
6
NORTH
EAST
REGION
4
• BARRHEAD
NORTH WEST
REGION
5
WILLMORE
WILDERNESS
PARK
JASPER
NATIONAL
PARK
VERMILION •
NORTH CENTRAL REGION
• RED DEER
3
BANFF
NATIONAL
PARK
SOUTH CENTRAL REGION
2
• CALGARY
1
SOUTHERN REGION
• LETHBRIDGE
WATERTON LAKES
NATIONAL PARK
Alberta
CANADA
AGRICULTURAL REGIONS
• REGIONAL OFFICE

RATES SURVEYED

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Plowing	Alberta	$18.00-25.00/ac	$18.00-20.00/ac	$18.00-20.00/ac
		$75.00/hr*	$75.00/hr*	$75.00/hr*
Surveyed November 1991 **Total reports 3**				
Discing - crop or stubble	Alberta	$6.00/ac $65.00-85.00/hr	$5.75-6.00/ac $65.00/hr*	$6.00/ac $65.00/hr*
Surveyed November 1991 **Total reports 5**				
Discing - pasture or hay	Alberta	$10.00/ac	$4.50-18.00/ac	$8.00-11.00/ac
Surveyed November 1991 **Total reports 12**				
Cultivating	Region 1	$4.00-6.00/ac	$4.50-6.00/ac	$5.00-6.00/ac
	Region 2	$4.50-7.00/ac	$5.00-7.00/ac	$5.00-7.00/ac
	Region 3	$4.00-6.50/ac	$4.25-8.50/ac	$5.00-6.00/ac
	Region 4	$6.00-7.00/ac	$5.50-7.50/ac	$5.50-6.00/ac
	Region 5	$4.50-6.00/ac	$6.00/ac*	$6.00/ac*
	Region 6	$5.00-5.75/ac	$5.00-6.00/ac	$5.00-5.50/ac
Surveyed November 1991 **Total Reports 36**				
Harrowing	Alberta	$2.00-2.75/ac	$2.00-2.25/ac	$2.00-2.25/ac
Surveyed November 1991 **Total Reports 7**				

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Seeding				
Drill/Disc/Air seeder	Region 1	$6.00-6.75/ac	$5.00-15.00/ac	$5.00-7.50/ac
	Region 2	$5.00-7.00/ac	$3.00-10.00/ac	$3.50-7.25/ac
	Region 3	$3.00-3.50/ac	$3.00-7.00/ac	$3.00-5.50/ac
	Region 4	$5.00/ac	$4.00-4.60/ac	$4.00-4.60/ac
	Region 5	$3.50-6.25/ac	$3.00-5.00/ac	$3.00-5.00/ac
	Region 6	$6.50-7.00/ac	—	—
Surveyed June 1991 **Total reports 29**				
Aerial seeding **Lowest rates for grasses and Canola** **Highest rate for grains**	Alberta	$3.25-4.75/ac	$3.50-5.00/ac	$3.50-5.00/ac
Surveyed June 1991 **Total reports 6**				
Granular fertilizer application				
Truck mount, floaters & pull-type	Region 1	$2.50-3.50/ac	$2.00-4.00/ac	$2.50-3.50/ac
	Region 2	$3.00-3.50/ac	$3.00-5.00/ac	$3.00-3.50/ac
	Region 3	$2.75-3.25/ac	$2.50-4.50/ac	$2.75-3.50/ac
	Region 4	$3.00-3.25/ac	$3.00-3.50/ac	$3.00-3.50/ac
	Region 5	$2.75-3.25/ac	$3.00-3.50/ac	$3.00-3.50/ac
	Region 6	$3.50-3.75/ac	$3.00-4.00/ac	$3.50-4.00/ac
Surveyed June 1991 **Total reports 54**				
Granular fertilizer application **Air seeder**	South	$6.00-7.00/ac	$6.00-7.50/ac	$6.00-7.50/ac
	Central	$5.00-5.75/ac	$5.50-7.00/ac	$5.50-6.50/ac
	North	$6.50-7.00/ac	—	—
Surveyed June 1991 **Total reports 9**				

RATES SURVEYED

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Aerial granular fertilizer	Alberta	$3.50-5.00/ac	$4.60-$5.00/ac	$4.60-5.00/ac
Surveyed June 1991 **Total Reports 2**				
Liquid fertilizer application	Region 1	$3.25-3.75/ac	$1.50-6.90/ac	$3.00-4.50/ac
Floater, truck mount, pull-type & fixed wing aircraft	Region 2	$3.00-3.50/ac	$3.00-4.00/ac	$3.00-4.00/ac
(Fixed wing at 2 gallon rate)	Region 3	$3.50-3.75/ac	—	—
	Region 4	$3.75-4.25/ac	$3.50-6.00/ac	$3.50-4.00/ac
	Region 5	$3.00-3.25/ac	—	—
	Region 6	$3.00-3.50/ac	$3.00-3.50/ac	$3.00-3.50/ac
Surveyed June 1991 **Total reports 60**				
Herbicide application (liquid)	Region 1	$2.50-3.00/ac	$2.00-4.00/ac	$2.50-3.50/ac
Truck, floater, pull-type	Region 2	$2.50-3.25/ac	$3.00-5.00/ac	$3.00-3.50/ac
	Region 3	$2.75-3.00/ac	$2.50-4.50/ac	$2.75-3.50/ac
	Region 4	$2.25-3.00/ac	$3.00-3.50/ac	$3.00-3.50/ac
	Region 5	$2.75-3.00/ac	$3.00-3.50/ac	$3.00-3.50/ac
	Region 6	$2.75/ac	$3.00-4.00/ac	$3.50-4.00/ac
Surveyed June 1991 **Total reports 36**				
Aerial herbicide	Southern	$3.50-3.75/ac @ 2 gal	$3.25-5.50/ac 1-5 gal	$3.85-4.00/ac @ 2 gal
NB - Higher rates are for more water used	Central	$3.50-3.85/ac @ 2 gal	$3.50-4.70/ac 1-5 gal	$3.50-4.20/ac @ 2 gal
	Northern	$3.75-4.00/ac @ 2 gal	—	—
Surveyed June 1991 **Total reports 23**				

OPERATION	LOCATION	MOST COMMON - 1990	RANGE 1991	MOST COMMON - 1991
Grain swathing	Region 1	$5.00-6.00/ac	$5.00-7.00/ac	$5.00-6.50/ac
	Region 2	$5.00-6.00/ac	$5.00-9.00/ac	$5.00-6.00/ac
	Region 3	$5.00-6.25/ac	$4.50-5.50/ac	$4.50-5.50/ac
	Region 4	$5.00/ac	$5.00-5.75/ac	$5.00-5.75/ac
	Region 5	$4.00-6.00/ac	$4.75-8.00/ac	$4.75-6.00/ac
	Region 6	$4.00-5.00/ac	$4.00-5.25/ac	$4.00-5.25/ac
Surveyed September-October 1991 **Total reports 48**				
Combining	Region 1 Dry	$12.00/ac	$11.00-14.00/ac	$11.00-13.00/ac
	Irrigated	$18.00-23.00/ac	$15.00-21.00/ac	$16.00-21.00/ac
	Region 2	$12.00-14.00/ac	$12.00-14.00/ac	$12.00-13.00/ac
	Region 3	$12.00-13.00/ac	$13.00-16.00/ac	$13.00-16.00/ac
	Region 4	$12.00/ac	$13.00-15.00/ac	$13.00-15.00/ac
	Region 5	$12.00-13.00/ac	$11.00-14.00/ac	$12.00-13.00/ac
	Region 6	$12.00-13.00/ac	$12.00/ac	$12.00/ac
Surveyed September-October 1991 **Total reports 82**				
Combining and hauling (to bin)	Region 1 Dry	$14.00-18.00/ac	$12.00-18.00/ac	$12.00-15.00/ac
	Irrigated	$20.00-23.00/ac	$21.00-24.00/ac	$21-$24/ac
	Region 2	$14.00-15.00/ac	$14.00-23.00/ac	$14.00-16.00/ac
		—	$105-125/hr	$105-125/hr
	Region 3	$14.00-16.00/ac		
		$85.00-110.00/hr	—	—
			$85.00-120.00/hr	$85.00-120.00/hr
	Region 4	$12.00-14.00/ac	$13.00/ac*	$13.00/ac*
		$95.00-100.00/hr	$85.00-105.00/hr	$85.00-105.00/hr
	Region 5	$12.00-14.00/ac		
		$95.00-110.00/hr	—	—
			$75.00-125.00/hr	$80.00-100.00/hr
	Region 6	$16.00/ac*	$12.00/ac*	$12.00/ac*
		$100-110.00/hr	$100.00-120.00/hr	$100.00-120.00/hr
Surveyed September-October 1991 **Total reports 56**				

RATES SURVEYED

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Grain drying (based on wheat)	Per Point	$0.04	—	—
	Per Hour	$50.00-65.00/hr	$35.00-70.00/hr	$50.00-65.00/hr
	Per Bushel	$0.17-0.24/bu	$0.19/bu*	$0.19/bu*

Surveyed September-October 1991
Total reports 8

		0-24 Miles	25-50 Miles	51-100 Miles	Over 100 Miles
Long distance grain hauling 22 to 37 tonne truck	Region 1	$0.10-0.12/bu $4.50-6.00/tonne	$0.12/bu* $5.75-8.00/tonne	$0.15-0.20/bu $6.25/tonne*	— $1.45/LMI*
	Region 2	$0.12-0.14/bu —	$0.15-0.26/bu $6.80-7.80/tonne	$0.30/bu $11.00/tonne	$0.37/bu* —
	Region 3	$5.00-6.00/tonne	$8.00-9.00/tonne	$10.00-11.00/tonne	$16.00/tonne*
	Region 4	$0.11-0.12/bu $5.00-6.00/tonne	— $8.50/tonne	$0.18-0.21/bu $11.00/tonne*	— $0.35/bu*
	Region 5	$6.00/tonne*	$7.00/tonne*	$10.00/tonne*	—
	Region 6	$5.00-6.00/tonne	$6.50-7.00/tonne	$8.75/tonne	$12.00/tonne*

Surveyed September-October 1991
Total surveyed 87

OPERATION	LOCATION	MOST COMMON - 1990	RANGE 1991	MOST COMMON - 1991
Cutting and conditioning hay	Region 1	$10.00-12.00/ac	$9.00-12.00/ac	$10.00-12.00/ac
	Region 2	$9.00-11.00/ac	$7.50-10.00/ac	$10.00/ac
	Region 3	$7.00-9.00/ac	$7.00-12.00/ac	$8.00-10.00/ac
	Region 4	—	$8.00-9.00/ac	$8.00-9.00/ac
	Region 5	$7.00-9.00/ac	$9.00/ac	$9.00/ac
	Region 6	—	$7.00-8.00/ac	$7.00-8.00/ac
Surveyed July - September 1991 **Total reports 22**				
Baling	Region 1	$0.35-0.45/bale	$0.35-0.50/bale	$0.35-0.40/bale
Small square	Region 2	$0.30-0.35/bale	$0.35-0.50/bale	$0.35-0.45/bale
	Region 3	$0.30/bale*	$0.35-0.45/bale	$0.35-0.45/bale
	Region 4	$0.30/bale*	$0.40/bale	$0.40/bale
	Region 5	$0.25-0.40/bale	$0.30/bale*	$0.30/bale*
	Region 6	—	—	—
Surveyed July - September 1991 **Total reports 19**				
Stacking and hauling	South	$0.25-0.30/bale	$0.28-0.40/bale	$0.30-0.35/bale
Small square bales	Central	$0.25-0.30/bale	$0.30-0.35/bale	$0.30-0.35/bale
less than 1 Mile	North	$0.25-0.27/bale	$0.25-0.45/bale	$0.30-0.40/bale
Surveyed July - September 1991 **Total reports 17**				
Large square	Alberta	—	$11.00-12.00/bale	$11.00-12.00/bale
Survey July - September 1991 **Total reports 3**				

RATES SURVEYED

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Baling				
Round bales	Region 1	$6.00-7.00/bale	$5.50-7.00/bale	$6.00-6.50/bale
	Region 2	$6.00-6.50/bale	$6.00-6.50/bale	$6.00/bale
	Region 3	$6.00-6.50/bale	$5.00-7.50/bale	$5.00-6.50/bale
	Region 4	$5.75-6.25/bale	$5.00-6.00/bale	$5.00-6.00/bale
	Region 5	$5.50-6.00/bale	$5.00-6.00/bale	$5.00/bale
	Region 6	$6.00/bale	$5.00-6.00/bale	$5.00-6.00/bale
Surveyed July - September 1991 **Total reports 51**				
Stacking and hauling **round bales** **less than 1 mile**	Alberta	$2.00-3.00/bale	$1.00-4.00/bale	$1.00-2.25/bale
Surveyed July - September 1991 **Total reports 7**				
Cutting - silage	Alberta	$6.00-7.00/ac	$6.00-10.00/ac	$6.00-10.00/ac
		$35.00-40.00/hr	$45.00/hr*	$45.00/hr*
Surveyed July - September 1991 **Total reports 8**				
Chopping silage (wet tonne) **tractor, harvester and dump wagon**	Alberta	$3.50-6.50/tonne	$4.00-5.50/tonne	$4.00-5.50/tonne
		$100.00-130.00/hr	$120.00-130.00/hr	$120.00-130.00/hr
Surveyed July - September 1991 **Total reports 11**				
Hauling silage **truck and operator** **1 mile - 5 miles haul**	Alberta	$30.00-40.00/hr	$30.00-35.00/hr	$30.00-35.00/hr
		$2.25-2.75/tonne	$2.00-2.50/tonne	$2.00-2.50/tonne
Surveyed July - September 1991 **Total reports 7**				

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Chopping and hauling (wet tonne) (may include swathing) 1 - 3 mile haul	Alberta	$5.50-7.00/tonne	$5.00-30.00/tonne	$5.50-9.00/tonne
		$140.00-165.00/hr	$150-170.00/hr	$150.00-170.00/hr
Surveyed July - September 1991 Total reports 24				
Packing silage	Alberta	$42.00-45.00/hr	$40.00-50.00/hr	$40.00-50.00/hr
		$1.00-2.20/tonne	$1.50-1.75/tonne	$1.50/tonne
Surveyed July - September, 1991 Total reports 8				
Silage bagging chopping, hauling and bagging includes bag	Alberta			
	8' x 150' bag	$1600.00	$1600-1800	$1600-1800
	9' x 135' bag	$1800-2000	$1200-1850	$1200-1850
	9' x 150' bag	$2000-2200	$2100	$2100
	9' x 200' bag	$2600-2650	$2700	$2700
	10' x 150' bag	$2450-2600	$2450-2500	$2450-2500
	10' x 200' bag	$3100-3400	$3100-3200	$3100-3200
Surveyed July - September 1991 Total reports 15				
		Under 100 Miles	**100-200 Miles**	**Over 200 Miles**
Long distance hay hauling	South	$10.00-20.00/ton $2.75/LMI	$20.00/ton* $2.50-2.75/LMI	$2.50-2.75/LMI
	Central	$60.00/hr* $3.00-5.50/LR bale	$2.65-3.00/LMI	$2.65-2.75/LMI
	North	$50.00-60.00/hr $5.00/LR bale*	$2.50/LMI*	$2.50/LMI*
Surveyed July - September 1991 Total reports 19				

RATES SURVEYED

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Grain processing - grinding per tonne				
	Region 1	$13.00-20.00/tonne	$13.00-20.00/tonne	$13.00-20.00/tonne
	Region 2	$12.00-20.00	$12.00-20.00	$12.00-20.00
	Region 3	$11.00-13.00	$12.00-16.00	$12.00-16.00
	Region 4	$12.00-14.00	$12.00-14.00	$12.00-14.00
	Region 5	$15.00	$11.50-15.00	$11.50-15.00
	Region 6	$12.00-13.00	$12.00-13.00	$12.00-13.00
Surveyed January 1992 **Total reports 20**				
Grain processing - dry rolling per tonne				
	Region 1	$13.00-20.00/tonne	$13.00-20.00/tonne	$13.00-20.00/tonne
	Region 2	$10.00*	$10.00*	10.00*
	Region 3	$9.00-13.00	$10.00-16.00	$10.00-16.00
	Region 4	$7.00-14.00	$11.00-14.00	$11.00-14.00
	Region 5	$11.50-15.00	$11.50-15.00	$11.50-15.00
	Region 6	$12.00-13.00	$12.00-13.00	$12.00-13.00
Surveyed January 1992 **Total reports 19**				
Grain processing - steam rolling per tonne	South	$20.00-22.00/tonne	$20.00-22.00/tonne	$20.00-22.00/tonne
	Central	$22.00-25.00	$22.00-25.00	$22.00-25.00
	North	$20.00	—	—
Surveyed January 1992 **Total reports 5**				
Grain processing - pelleting per tonne	Alberta	$20.00-40.00/tonne	$22.00-38.00/tonne	$22.00-38.00/tonne
Surveyed January 1992 **Total reports 3**				

OPERATION

Feeding - Alberta

		Yardage	Death Loss	Total Cost/lb Gain
		Range		
	Backgrounding Calves	$0.12-0.16/day	0.50-2.00%	$0.42-0.70/lb
		Most Common		
		$0.12-0.15/day	0.50-1.50%	$0.47-0.55/lb
		Range		
	Calves to Finish	$0.12-0.16/day	0.40-2.50%	$0.40-0.60/lb
		Most Common		
		$0.12-0.15/day	0.75-1.50%	$0.42-0.51/lb
		Range		
	Yearlings to Finish	$0.12-0.15/day	0.25-1.00%	$0.40-0.65/lb
Date surveyed January 1992 **Total reports 58**		**Most Common**		
		$0.12-0.15/day	0.25-0.50%	$0.40-0.50/lb

Livestock hauling - Alberta
Possum belly liner
(50,000-80,000 lbs.)

MILES	MOST COMMON 1990	RANGE 1991
0-50 miles	$2.10-3.25/loaded mile	$3.00-3.25/loaded mile
50-100 miles	$2.75-3.25/loaded mile	$2.75-3.25/loaded mile
100-200 miles	$2.60-3.25/loaded mile	$2.75-3.25/loaded mile
200 + miles	$2.75-3.30/loaded mile	$2.75-3.75/loaded mile

Surveyed January 1992
Total reports 51

Custom corral cleaning - Alberta

TYPE OF EQUIPMENT	RANGE 1991	MOST COMMON 1991
Loaders, 3 Spreaders, 4-5 Operators	$170.00-210.00/hr	$175.00-210.00/hr
Loader, 2 Spreaders, 2-3 Operators	$90.00-165.00/hr	$135.00-165.00/hr
Loader, 1-2 Spreader, 2 Operators	$70.00-100.00/hr	$70.00-100.00/hr

Surveyed January 1992
Total reports 38

RATES SURVEYED

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Fence construction				
Barbwire **3 & 4 wires, labor, equipment**	Alberta	$1100.00-1400.00/mi	$1200.00-1750.00/mi	$1200.00-1400.00/mi
Surveyed January 1992 **Total report 25**				
Fence removal				
Barbed wire	Alberta	$300.00-600.00/mi	$400.00/500.00/mi	$400.00-500.00/mi
		$45.00-65.00/hr	$50.00-70.00/hr	$50.00-70.00/hr
Surveyed January 1992 **Total reports 19**				
Post pounding				
Equipment and 2 operators	Alberta	$45.00-60.00/hr	$40.00-70.00/hr	$45.00-60.00/hr
		—	$1.25/post	—
Surveyed January 1992 **Total reports 18**				

LAND BREAKING AND CLEARING

The land clearing and breaking survey was conducted in November and December, 1991.
Please note that these rates can vary depending on bush type, terrain and equipment used. Rates are based on one pass.

SOUTHERN ALBERTA

OPERATION	EQUIPMENT	MOST COMMON 1990	RANGE 1991	MOST COMMON 1991
Brushing and piling with dozer blade or repiling	D6 (140-180 hp)	$70.00/hr	—	—
	D7 (180-200 hp)	$75.00-85.00/hr	$75.00-85.00/hr	$75.00-85.00/hr
	D8 (225-335 hp)	$85.00-95.00/hr	$85.00-95.00/hr	$85.00-95.00/hr
Ripping		$85.00-110.00/hr	$85.00/hr*	$85.00/hr*
Discing		$10.00/ac	$6.00-10.00/ac	$6.00-10.00/ac
Rototilling		$75.00-80.00/ac $60.00-120/hr	— $80.00-120.00/hr	— $80.00-120.00/hr
Root raking		$90.00-160.00/hr	—	—
Rock picking		—	$50.00-70.00/hr	$50.00-70.00/hr
Dugouts and drainage		$0.70-1.25/yd^3 $75.00-85.00/hr	$0.80-1.00/yd^3 $45.00-90.00/hr	$0.80-1.00/yd^3 $65.00-80.00/hr
Plowing		$85.00-90.00/hr —	85.00/hr* $20.00/ac*	$85.00/hr* $20.00/ac*

RATES SURVEYED

CENTRAL ALBERTA

OPERATION	EQUIPMENT	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Brushing and piling with dozer blade or repiling	D6 (140-180 hp)	$70.00/hr	$70.00-75.00/hr	$70.00-75.00/hr
	D7 (180-200 hp)	$75.00-80.00/hr	$75.00-85.00/hr	$75-85.00/hr
	D8 (225-335 hp)	$90-95.00/hr	$85.00-90.00/hr	$85.00-90.00/hr
Ripping		$85.00-105.00/hr	$75.00-160.00/hr	$85.00-120.00/hr
Discing		$75.00-85.00/hr	$65.00-95.00/hr	$65.00-85.00/hr
Rototilling		$100.00/hr	$75.00-120.00/hr	$75.00-120.00/hr
Root raking		$80.00-85.00/hr	$85.00/hr*	$85.00/hr*
Rock raking		$30.00/hr*	$30.00/hr*	$30.00/hr*
Rock picking		$80.00-100.00/hr*	$80.00-100.00/hr	$80.00-100.00/hr
Dugouts and drainage		$75.00-90.00/hr $1.00/yd ^{3}*	$65.00-120.00/hr $1.00/yd ^{3}*	$75.00-85.00/hr $1.00/yd ^{3}*
Plowing		$85.00-90.00/hr	—	—

NORTHERN ALBERTA

OPERATION	EQUIPMENT	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Brushing and piling with dozer blade or repiling	D6 (140-180 hp)	$65.00-75.00/hr	$60.00-70.00/hr $130.00/ac	$60.00-70.00/hr $130.00/ac
	D7 (180-200 hp)	$75.00/hr	$75.00-80.00/hr $120.00-140.00/ac	$75.00-80.00/hr $120.00-140.00/ac
	D8 (225-335 hp)	$95.00/hr	$85.00-100.00/hr $70.00-135.00/ac	$85.00-95.00/hr $135.00/ac
Ripping		$95.00-120.00/hr	$95.00-120.00/hr	$95.00-120.00/hr
Discing		$65.00-75.00/hr $25.00-30.00/ac	$55.00-90.00/hr $15.00-40.00/ac	$65.00-75.00/hr $25.00-40.00/ac
Plowing		$60.00-130.00/hr $40.00-45.00/ac	$35.00-90.00/hr $35.00-50.00/ac	$65.00-75.00/hr $40.00-45.00/ac
Rototilling		$110.00/hr	$85.00-110.00/hr	$85.00-110.00/hr
Root raking		$50.00-70.00/hr —	$80.00/hr* $25.00/ac*	$80.00/hr* $25.00/ac*
Dugout and drainage		$75.00-95.00/hr —	$65.00-85.00/hr —	$85.00/hr —

Surveyed November and December 1991
Total reports 203

RATES SURVEYED - MACHINE RENTAL

EQUIPMENT	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991
Anhydrous ammonia equipment (rental cost with product purchase)	Region 1	$1.50*	—	—
	Region 2	$60.00/tonne	$2.50-2.75/ac*	$2.50-2.75/ac*
	Region 3	$5.50/ac* $45.00/tonne	$1.50-2.50/ac	$1.50-2.50/ac
	Region 4	—	—	—
	Region 5	—	—	—
	Region 6	—	—	—
Surveyed June 1991 **Total reports 3**				
Liquid fertilizer equipment	South	$1.00-3.00/ac	$1.50-6.90/ac	$3.00-5.50/ac
	Central	$1.00-2.00/ac	$3.50-6.00/ac	$3.50-4.00/ac
	North	—	$3.35-3.75/ac	$3.35-3.75/ac
Surveyed June 1991 **Total reports 19**				
Herbicide equipment (pull-type)	Region 1	$1.00/ac	$1.00/ac	$1.00/ac
	Region 2	$1.00/ac	$0.50-2.00/ac	$1.00/ac
	Region 3	$1.00-2.00/ac	$0.50-1.50/ac	$1.00-1.50/ac
	Region 4	$0.75-1.00/ac	$0.50-1.00/ac	$0.50-1.00/ac
	Region 5	$0.75-1.00/ac	$0.75-1.00/ac	$0.75-1.00/ac
	Region 6	$1.00-1.25/ac	$40.00-50.00/day	$50.00/day
Surveyed June 1991 **Total reports 43**				

EQUIPMENT	LOCATION	MOST COMMON 1990	RANGE 1991	MOST COMMON 1991
Fertilizer equipment (pull type)				
Granular	Region 1	$0.75-1.00/ac $6.00/tonne	$0.50-1.50/ac $3.00-7.00/tonne	$1.00/ac $4.00-6.00/tonne
	Region 2	$0.75-1.00/ac —	$0.50-3.00/ac $3.00/tonne*	$0.50-1.25/ac $3.00/tonne*
	Region 3	$0.75-1.25/ac $5.00-7.00/tonne	$0.75-1.25/ac $5.00-8.00/tonne	$0.75-1.25/ac $5.00-8.00/tonne
	Region 4	$0.75-1.10/ac $6.00/tonne	$0.50-1.00/ac $5.50-10.00/tonne	$0.50-1.00/ac $5.50-10.00/tonne
	Region 5	$1.00-1.25/ac — $5.00-6.00/tonne	$1.00/ac* — $5.50-8.00/tonne	$1.00/ac* — $5.50-8.00/tonne
Surveyed June 1991 **Total reports 50**	Region 6	$1.00-1.25/ac $45.00-50.00/day	— —	— —

Tractors	**Alberta**		
Under 60 PTO hp		$0.23/h/PTO hp	$0.23/h/PTO hp
60-100 PTO hp		$0.21/h/PTO hp	$0.21/h/PTO hp
100-180 PTO hp		$0.21/h/PTO hp	$0.21/h/PTO hp
4 WD		$0.21/h/PTO hp	$0.21/h/PTO hp
Surveyed February 1992			

RATES SURVEYED - LAND LEASING

The major factors that seem to influence the rental rates for land are:

1) The demand for rental land in the area;
2) Variation in the quality and productivity of land;
3) Transaction at arm's length;
4) The dependability of the tenant;
5) The length and terms of the lease or cash rent agreement;
6) Location and
7) Who's willing to bear the risk.

The rates listed below are broken into major regions of the province. The variability in the price is basically due to the above factors.

CASH RENT CROPLAND

OPERATION	LOCATION	MOST COMMON - 1990	RANGE - 1991	MOST COMMON - 1991	AVERAGE 1991
	Region 1				
	Irrigated	$35.00-50.00/ac	$15.00-80.00/ac	$25.00-50.00/ac	$36.00/ac
	Non Irrigated	$15.00-$25.00/ac	$12.50-28.00/ac	$12.50-26.00/ac	$20.00/ac
	Region 2	$20.00-30.00/ac	$20.00-31.00/ac	$20.00-30.00/ac	$25.00/ac
	Region 3	$20.00-30.00/ac	$7.15-30.55/ac	$20.00-30.00/ac	$21.00/ac
	Region 4	$12.00-25.00/ac	$10.00-35.00/ac	$12.00-25.00/ac	$20.00/ac
April 1991	Region 5	$18.00-30.00/ac	$5.00-25.00/ac	$15.00-25.00/ac	$20.00/ac
Total reports 251	Region 6	$10.00-15.00/ac	$4.50-20.00/ac	$7.00-15.00/ac	$11.00/ac

LENGTH OF LEASES

YEARS	CASH %	CROPSHARE %
1	61	62
2	6	2
3	21	21
4	2	2
5	9	10
>5	1	2

Total reports 292

TYPE OF LEASE

REGION	CASH %	CROPSHARE %
1	50	50
2	44	56
3	62	38
4	50	50
5	75	25
6+	75	26

REGION	NUMBER OF LEASES	CROPSHARE (In per cent)		NOTES
		Landlord	Tenant	
1	3	20	80	Landlord pays tax and water if irrigated. Landlord and tenant split fertilizer and chemicals in 10 of 26 agreements
	1	25	75	
	1	30	70	
	20	33	67	
	1	50	50	
2	6	25	75	Landlord and tenant split fertilizer and chemicals in 11 of 35 agreements
	28	33	67	
	1	40	60	
3	14	33	67	Landlord and tenant split fertilizer and chemicals in 12 of 17 agreements
	3	50	50	
4	2	20	80	Landlord and tenant split fertilizer and chemicals in 9 of 18 agreements
	2	25	75	
	12	33	67	
	1	40	60	
	1	50	50	
5	4	20	80	Landlord and tenant split fertilizer and chemicals in 9 of 14 agreements
	10	33	67	
6	3	25	75	Landlord and tenant split fertilizer and chemicals in 5 of 11 agreements
	6	33	67	
Total reports 119	1	30	70	

RATES SURVEYED

CASH RENT - PRIVATE PASTURE

Location	MOST COMMON - 1990	RANGE- 1991	MOST COMMON - 1991
Region 1	$15.00/AUM	$10.00 - $15.00/AUM	$15.00/AUM
Region 2	$12.00 - $15.00/AUM	$8.00 - $20.00/AUM	$10.00 - $15.00/AUM
Region 3	$12.00 - $15.00/AUM	$7.00 - $15.00/AUM	$10.00 - $15.00/AUM
Region 4	$10.00 - $15.00/AUM	$7.00 - $11.00/AUM	$10.00 - $11.00/AUM
Region 5	$8.00 - $10.50/AUM	$12.00/AUM*	$12.00/AUM*
Region 6	$5.45/AUM	—	—

Surveyed April 1991
Region 5 only one reply
Total reports 59

PROVINCIAL GRAZING RESERVES

REGION	# OF RESERVES/REGION	TOTAL ACREAGE/REGION	RATE/AUM 1990	RATE/AUM FOR 1991
Lethbridge	3 (Irrigated)	24,411	$12.95-13.55	$13.45-14.05
	1 (Non-Irrigated)	33,163	$10.40	$10.90
Medicine Hat	2 (Irrigated)	45,633	$12.95-13.55	$13.45-14.05
	2 (Non-Irrigated)	152,741	$10.40	$10.90
West Central	6	93,342	$ 9.35	$ 9.85
Edmonton	3	66,426	$ 9.35	$ 9.35
St. Paul	5	103,792	$ 9.35	$ 9.35
Peace River	5	120,642	$ 7.75	$ 8.25
Grande Prairie	5	76,609	$ 7.75	$ 8.25

CROWN LAND

REGION	TOTAL ACREAGE	RATE/AUM 1990	RATE/AUM 1991
Southern	3,100,000	$ 2.32	$ 2.37
Central	800,000	$ 1.93	$ 1.97
North	1,700,000	$ 1.16	$ 1.18

POINTS TO CONSIDER IN A CUSTOM HIRING AGREEMENT

Custom hiring is a business arrangement. As in all business arrangements, the agreement should outline the rights and duties of all the parties involved. A written agreement is advisable to avoid misunderstandings in case of a dispute. The following points should be considered in a custom hiring agreement.

Operations: The agreement should provide a description of the exact operations to be performed by the parties and the machines, materials and labor to be supplied by each party.

Timeliness: Significant losses can occur if an operation is not started or completed on time. To facilitate planning, a custom hiring agreement should include a schedule of operations for both parties. Such a schedule would be subject to weather conditions and crop maturity. Reasonable notice should be provided by each party when circumstances alter the schedule for operations.

Rate Schedule: The custom operator, for each operation to be performed, should stipulate rates on the basis of acreage, time (week, day, hour) or total operation performed.

Payment: The agreement should stipulate the terms of payment for custom operations. The custom operator should bill the client on completion of each custom operation indicating the actual units (acres, hours, etc.) completed, the rate charged per unit, the total charge and the due date for payments.

Down-Time: The parties should consider a clause in the agreement regarding responsibility for down-time as a result of machine breakdown.

Termination: The agreement should include a clause for a minimum period of notice for termination. A penalty should be stated for unjustified termination of the agreement.

Liability: The parties should consider a clause stipulating the responsibility for liability claims as a result of damage to personal property.

Management: The custom agreement should secure provisions that the custom operator will employ acceptable management practices in the operation.

For additional information and sample agreements for the above, refer to the publication *Custom Farming Agreements*, Alberta Agriculture, Agdex 817-10.